

NSC BRIEFING

13 July 1955

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INDOCHINA ROUNDUP

- I. 20 July (bugaboo date for election talks in Vietnam) will be third day of Summit meet. Now obvious that no Vietnamese consultations will get off ground by then, which may cause stir at Geneva.
- A. '54 agreement states talks shall take place "from 20 July 1955 onward."
- B. Communists take this to mean talks should start immediately on that date. During past month, have been increasingly insistent that provision be observed.
- C. Two high Viet Minh officials and Soviet ambassador [redacted] have hinted at "violent action" in south if consultations delayed.
- [redacted]

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- [REDACTED]
- E. Bulganin-Nehru statement also voiced concern over Indochina situation, placed Moscow and New Delhi on record for strict implementation of Geneva Pact.
  - F. Pamphlets, apparently produced by the Communists, turned up in Saigon last week calling for demonstrations against Diem regime and "American election saboteurs." Were completely ignored.
- II. Diem extremely reluctant to talk with Viet Minh, arguing:
- A. Vietnam not bound by Geneva agreements, since did not sign.
  - B. Talks cannot begin while relations with French not satisfactorily settled.
  - C. His government cannot make important commitments without approval of yet-to-be-elected national assembly (September is earliest possible date).

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D. Is convinced Communists will not permit "truly" free elections.

E. Feels okay on consultations would be regarded as sellout, "alarm and demoralize" the Vietnamese people.

F. Diem should make some sort of statement before Summit meet: probably will support Vietnamese unification through democratic elections, but not in accordance with Geneva accords and with no date specified.

III. French legal experts agree that talks must begin on 20th.

A. Have indicated, however, that they will not sit in for South Vietnam, although Communists hold them responsible for carrying out Geneva agreements.

B. British also favor talks and are urging Diem not to disavow Geneva.

C. UK holds talks necessary so that South Vietnam can prove to world Viet Minh would not agree to free elections.

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D. Also agree with French that matter is not worth major crisis.

IV. Meanwhile, Diem also amply busy consolidating control in south.

A. Showdown with Cao Dai leaders, who heretofore supported regime, appears imminent.

1. Latter fear Diem's growing power will be turned against them, have hinted they will resort to guerrilla warfare if this happens.

B. Diem's army has successfully dispersed Binh Xuyen and Hoa Hao forces under Soai.

C. However, Hoa Hao forces under Ba Cut apparently offer stiffer resistance.

1. Vietnamese now also Ba Cut surrounded.

D. Other complicating factors include: reported Viet Minh contacts with rebel groups and impending rainy season, which will seriously hamper Diem's operations, permit rebel remnants to organize for guerrilla warfare

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- V. Chou-Ho joint communique (issued Peiping 8 July, on eve Ho's departure for Moscow) raised issue of US military aid agreement with Cambodia, which Communists are trying to make into major issue.
- A. Indian and Polish members of ICC in Cambodia have informally concluded that certain passages of MDAP agreement violate Geneva accords.
  - B. Essentially they question Cambodia's declaration of neutrality and promise not to seek foreign military aid except for defense.
  - C. Commission, however, not likely to make formal ruling until Indian chairman receives instructions from Nehru who has just returned to Delhi.
  - D. While Indians may settle for clarifying statements emphasizing defensive nature of pact, indications are that Nehru-- who has been worked over by Chou En-lai --is unfavorably disposed to it.

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1. Krishna Menon displayed hostile attitude while in Washington.

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3. High officials of Indian foreign ministry also has given impression that his government viewed the agreement as a violation.

VI. Cambodian officials have given US assurances they will not back down.

- A. These officials also assert that in the event of unfavorable ruling, government would hold referendum on issue and that anticipated popular demand for US aid would be taken to override ICC objections.
- B. Prince Sihanouk, still the most powerful political leader in Cambodia, takes same position.

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- [redacted]
- C. Attitude of Cambodians likely to have moderating factor on Indians who regard Cambodia as within their sphere of influence.
  - D. Another moderating factor is Nehru's concern--as expressed to Chou--that "any vehement denunciation" of MDAP would make US "utterly disregard Geneva agreement."

VII. Elsewhere in Indochina, a rebel Pathet Lao attack on Muong Peun (in northern Laos) on 3 July is most recent and largest-scale of series of Communist-inspired clashes there since '54 cease-fire.

- A. Latest reports indicate royal forces have recaptured lost ground, fighting has subsided.
  - B. Approximately 3,000 men (about half of Pathet Lao forces in area) are thought to be in general area of Muong Peun, although only a portion were involved in attack.
- [redacted]

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[REDACTED]

VIII. Attack undoubtedly part of campaign to force ultimate withdrawal of royal forces from disputed provinces and to back up exorbitant demands put forward during negotiations in Vientiane.

- A. Immediate result of attack was suspension of talks by government.
- B. Prime Minister, who has bent over backward to be conciliatory to Pathet Lao and to please Indians, issued strong statement denouncing Pathet Lao breach of Geneva agreement and Viet Minh for aiding aggressors.
- C. Lao government, however, has agreed to ICC proposals for cease-fire and indicates willingness to appoint senior officers to work with Pathet Lao representatives to implement agreement.
- D. Another instance of Prime Minister talking tough, without altering policy of "appeasement and conciliation" (as he himself describes it).

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have been building up military strength in Muong Peun area for several months.

A. At present opposing forces are about evenly matched. Government garrison at Muong Peun (1800) has been reinforced by royal army's only paratroop battallion (800 men) and is believed to have firepower edge over more numerous Pathet Lao forces.

B. Pathet Lao, however--aided [redacted] [redacted] by Viet Minh material and personnel--is gradually increasing its military capabilities.

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